

The American Observer

A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends.—James Monroe

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Atomic Industry Asks More Funds

Government-Run Enterprise Is Growing to Meet U. S. Defense Needs

AMERICA's big government-owned industry, atomic energy, wants more money for operating expenses in the coming fiscal year. It has been spending something over 650 million dollars annually, but we are told that it needs much more to carry on its work in the future.

The industry is expanding rapidly to keep pace with the demands of national defense. To the manufacture of atomic bombs—and, possibly, other atomic weapons—has been added the task of developing the much-discussed hydrogen bomb.

Our atomic industry is already a huge affair. It includes more than a thousand plants, laboratories, and research centers scattered through the length and breadth of the land. All the work is done by private contractors and manufacturers, but it is strictly controlled by an agency of the federal government.

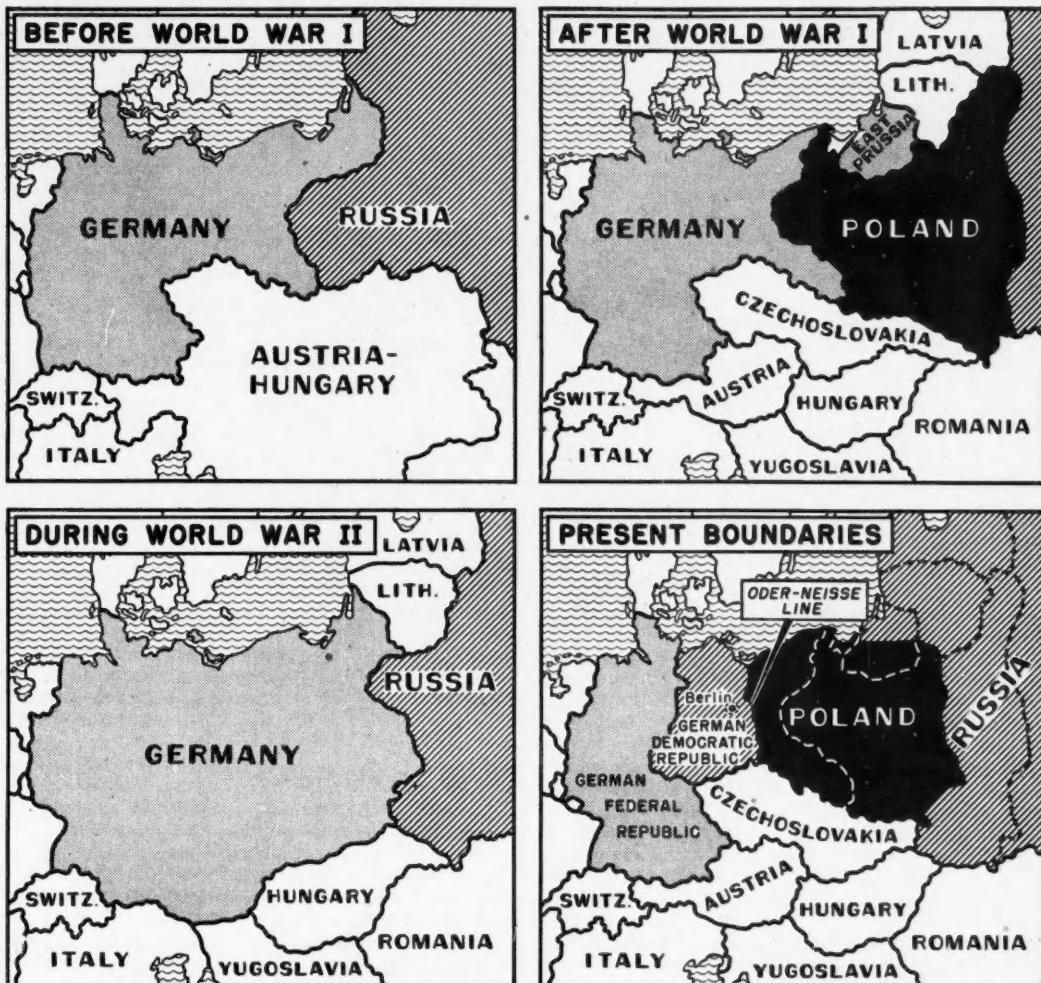
The map on page two shows the more important units in the atomic network. Among them are the two great centers that produce materials for atomic bombs—Oak Ridge, Tennessee, and Hanford, Washington.

At Oak Ridge one of these materials, Uranium 235, is extracted from natural uranium. U-235 is used in bombs because its atoms split readily. Though the extraction and concentration of U-235 is still a difficult process, it is done much more efficiently than it was a few years ago. In one plant today, 4,400 employees are producing more U-235 than three plants and 35,000 workers did during the war. In spite of a 23 per cent rise in wages, the cost of producing U-235 has been cut in half since 1947.

There is a large reactor or atomic pile at Oak Ridge. This massive pile of graphite blocks is pierced with holes into which long rods of uranium have been thrust. There the uranium atoms split endlessly in a carefully controlled chain reaction. Because the splitting atoms give off powerful rays, materials put into the pile soon begin to give off rays, too. These radioactive materials are used in medicine and in scientific research. More are produced at Oak Ridge than anywhere else.

Far out in a desert in the state of Washington, are the Hanford Works. They have the largest reactors in the country. Cooled by water from the Columbia River, the reactors change natural uranium into plutonium in order to provide another explosive for atomic bombs. Plutonium can be used for this purpose because its atoms split as readily as those of U-235 do. It is easier to produce plutonium than to extract U-235.

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EAST EUROPE'S BOUNDARIES reflect changes in successive periods of war and peace.

No Way Back for Poland?

Nation That Has Been Buffeted for Centuries by Europe's Wars Is Now Firmly Within Soviet Orbit. It May Become Russia's Leading Satellite

TO Poles, the new east German-Polish border is a fair and just boundary. To east Germans, the border shift is a severe blow, and the loss of valuable industrial and agricultural areas is hard to take.

To Americans, the recently ratified frontier is another high-handed Russian tactic, a violation of the Potsdam Declaration. To Russians, the new boundary is completely in keeping with the Potsdam agreement.

The single event which evoked these varying responses was an agreement made last month between east Germany and Poland. Although both are controlled by the Soviet Union, the pact was announced to the world as though it had been concluded by two independent, sovereign nations.

Seven items were covered by the accord. Among them were promises of increased trade between the two, grants of credit to Germany, and provision for the exchange of scientific and cultural data and trained personnel.

But most controversial was the section which defined the Polish-German border as the Oder and Neisse Rivers.

The Oder-Neisse line was not pulled out of a hat as a surprise by the Russian backstage managers of the treaty conference. During the 1945 meeting at Potsdam of Attlee, Stalin, and Truman, Russia asked that Poland's boundaries be moved westward to the Oder and the Neisse as compensation for the territory the Soviet Union had taken from eastern Poland. Britain and the United States consented to Polish "administration" of the land lying between the prewar Polish border and the Oder and Neisse, as well as a section of Prussia. But they insisted that the final determination of Poland's boundaries be made in the German peace treaty.

Poland, however, accepted the Potsdam Declaration as the final word on its western frontiers and began to absorb the former German territory

it was to administer. Germans were expelled by the million from the Oder-Neisse area and Poles moved in to replace them. Russia and Poland signed a treaty which recognized the Oder-Neisse line as the western boundary. Last month's German treaty removed the one possible obstacle to the permanent establishment of this new border, so far as the Poles are concerned. While Great Britain and the United States refuse to recognize the Oder-Neisse line, there seems to be little they can or will do about it.

Border changes are nothing new to the Poles. Their long history as a nation, which dates back to the 900's, includes many shifts in boundaries. For centuries, Poland was a large and powerful central European nation. But during the 1700's, it ceased to exist as an independent country. Neighboring nations became more powerful, overran Poland, and divided it among themselves. Not until after World

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Atom Industry

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Two more links in the atomic chain are located in the New Mexico desert. These places, Los Alamos and Sandia, are centers for the atomic weapons program. Laboratories there work out improved methods for manufacturing the bombs.

Elsewhere in the country, laboratories are working on atomic problems not directly connected with warfare. At the Argonne National Laboratory, south of Chicago, scientists are trying to design better reactors and to find new ways of using them. The Brookhaven Laboratory on Long Island, New York, does general experimenting. In a matter of months, it will be using the nation's largest air-cooled reactor in its work.

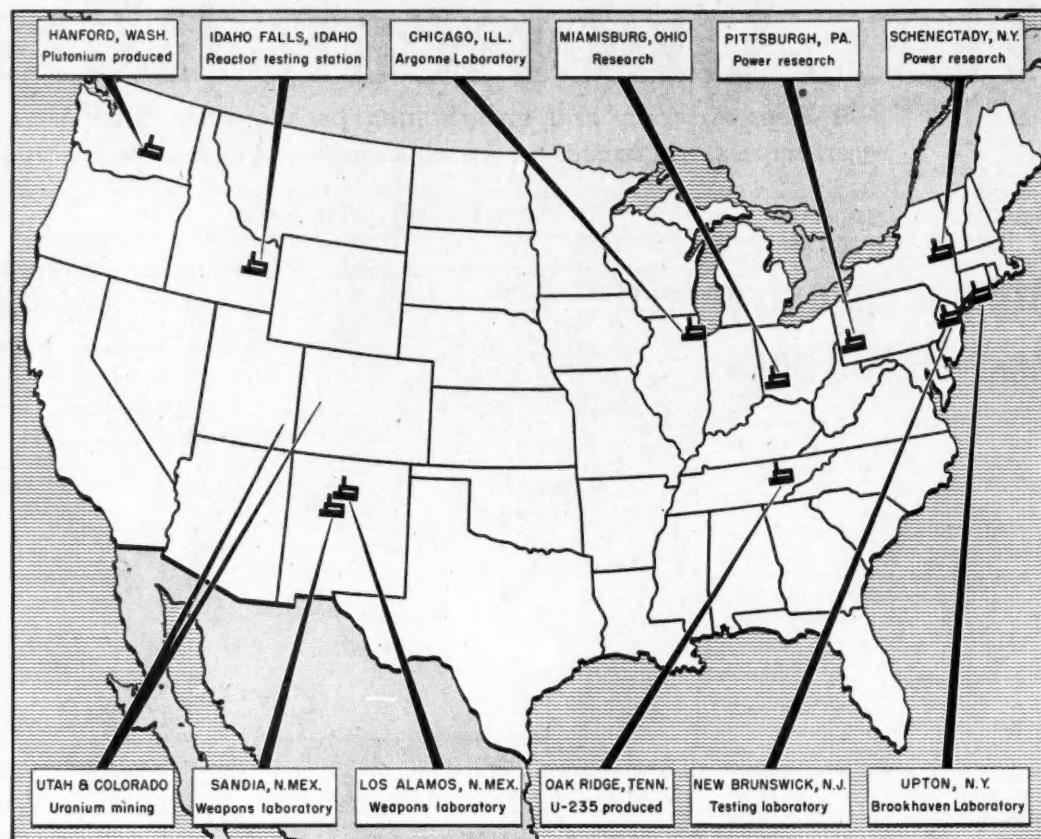
Research Program

Other research centers are tackling the problem of building atomic engines for generating electricity or for driving ships and submarines. In many parts of the United States, the research laboratories of universities and industrial concerns are conducting experiments and working out new processes.

All this activity is directed and controlled by the Atomic Energy Commission in Washington, D. C. Normally the commission consists of five men appointed by the President with the consent of the Senate. It is headed by a chairman who ties together the projects of the commission but ranks only as one of the members. Since the resignation of David Lilienthal last February, the commission has been headed by Acting-Chairman Sumner Pike (see page three). Congress follows the work of the commission through the Joint Congressional Committee on Atomic Energy, which has as its chairman Senator Brien McMahon (Republican, Connecticut).

AEC headquarters is a handsome white stone building almost in the shadow of the Washington Monument. Here the five members of the commission, their chief assistants, and several hundred employees manage the nation's atomic affairs.

No building in the capital is as hard to get into as this one. Every person who works there, from the chairman down, has to show his pass on entering. The headquarters is guarded by specially trained men and the latest in mechanical devices. Electric "eyes" watch the windows, ready to warn the guards if anyone should try to break in. At sundown brilliant floodlights are thrown on the building. Such precautions are typical of



CENTERS OF U. S. ATOMIC ACTIVITIES. All phases of the new industry are directed by the federal government.

those employed everywhere for guarding atomic energy installations. The total guard force of the Atomic Energy Commission numbers thousands of men. It includes plant guards hired by commercial concerns working for the AEC, as well as men employed by the commission's security division. At Oak Ridge, Hanford, and Los Alamos, guards are armed with revolvers, carbines, and machine guns. They use armored scout cars, too. At Hanford they have small patrol planes.

The AEC believes that it is taking good care of our atomic secrets. But it feels, also, that some material classified as secret is no longer worth guarding. Since we now know that Russia has set off an atomic explosion, says the AEC, there is much material which could be published without telling Soviet scientists anything they don't already know.

In the near future the AEC may decide to make public some of its "secrets" which are no longer secret. Once it has done this, it will have less trouble explaining to congressmen how it uses its funds and why it needs a larger appropriation for

the coming fiscal year. It should have less trouble recruiting scientists, too, if it can tell prospects in some detail what kind of work they would do.

David Lilienthal, the first chairman of the AEC, considers our policy of hoarding secrets concerning the peaceful use of atomic energy a very foolish one. By doing so, we are handicapping ourselves rather than the Russians, he feels. One of the great advantages we have over Russia is the producing power of our free industry. Mr. Lilienthal would like to see the non-military part of the atomic energy program turned over to private enterprise for development in the American way.

Change Atom Law?

Such action would require changes in the Atomic Energy Act of 1946. This law took the atomic industry away from the Army and put it under civilian control. At the same time, it provided that development was to be carried on by an all-powerful government monopoly, rather than by private industry operating on its own.

In a recent article in *Collier's*, Mr. Lilienthal reminds us that our free enterprise system provides two great incentives for pushing ahead: the hope of profit and the satisfaction that comes from personal achievement. Neither of these can operate well under a government monopoly. They must be allowed to do so, says Lilienthal, if we wish to keep our lead in the race to develop atomic industry.

A first step in this direction may be taken before long. It seems likely that the United States, Britain, and Canada, acting jointly, will soon release considerable atomic data.

It may be that this material on the peaceful use of the atom will bring about no important advance in the development of atomic power for peaceful purposes. Perhaps it will do no more than permit engineering schools and industrial laboratories to

construct low-power reactors for training technicians in the management of atomic piles. If this is all it will do, it will not be a long stride toward turning the atom over to industry, but it will be a step, at least.

Not a few Americans, of course, are alarmed by any suggestion that atomic secrets be divulged. Since we can't know how far Soviet atomic science has advanced, they contend, there is always danger that we will publish information of value to the Russians. It is better to be too cautious than too reckless, these people say. What the Russians don't know can't hurt us.

As for giving information to private industry, the point has been made that a great deal must be given if it is to be any good at all. And if industry is to use atomic energy, it must have large reactors—not pint-sized ones. These, the *New York Times* suggests editorially, could be highly dangerous, both from the standpoint of public safety and that of national security. They would have to be closely supervised by the government.

Furthermore, says the *Times*, in the foreseeable future large atomic piles will be much too expensive to provide industry with power. "It is hard to imagine a private corporation spending \$50,000,000 on a power-plant reactor," the editorial concludes, "with the dubious prospect of ever getting its money back in a country where coal or oil is cheap."

Though the long-term possibilities of atomic energy seem almost unlimited, the development of the new resource for peaceful use presents serious problems. Can we make full use of it without turning it over to private industry? If not, can we turn it over to private industry without revealing important secrets to possible enemies? In the Atomic Age we find ourselves beset with perplexities that must somehow be cleared up if we are to use our new source of energy wisely and well.



TWO VIEWS ON U. S. ATOMIC SECURITY MEASURES. One cartoonist (left) sees danger in too much secrecy. The other emphasizes the need for caution.



Newsmaker

AEC Chief

RUDDY-FACED, gray-haired Sumner Pike has a big job on his hands. As acting chairman of the Atomic Energy Commission he must see that the stockpiling of atom bombs continues, that progress is made on the hydrogen bomb, and that research programs are kept going.

A native of a Maine coastal town, Pike attended Bowdoin College and then, in 1913, joined a Boston public utility firm. When World War I broke out, he went into the Army and became a Coast Artillery officer.

Shortly after the war Mr. Pike entered the oil business as an executive of two firms selling filling-station equipment. In 1922 he became associated with an exporting concern and later with a fire insurance company. Then he joined a large investment firm on Wall Street and for the next decade worked in many parts of the world in oil and mining enterprises.

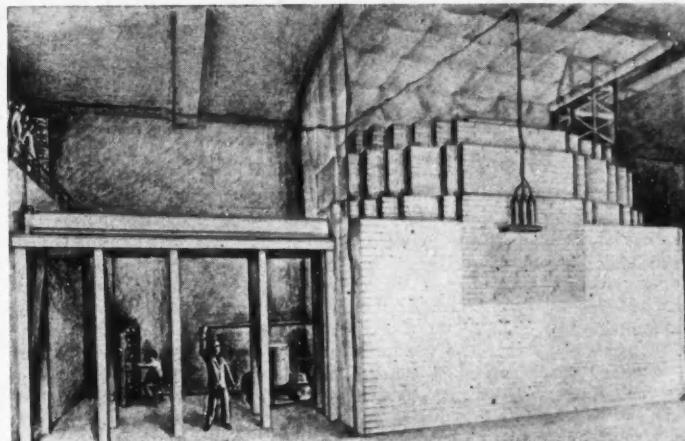
Hard work coupled with keen business judgment made Mr. Pike financially independent at a comparatively early age. In 1939 he retired from business and took a leisurely trip around the world.

But he found that he could not remain idle for long. He was induced to become an adviser to Secretary of Commerce Harry Hopkins and embarked on what has turned out to be a distinguished career in government service.

Pike's varied background in private business had equipped him well for government positions. In 1940 he was appointed to the Securities and Exchange Commission, the agency which protects the interests of the public in the security market. At the same time he served on a special committee, created by Congress, to study business monopolies. During the war he did valuable work unsnarling oil-production problems which threatened to obstruct the war effort.

In 1946 Mr. Pike resigned from his position on the SEC, saying that he was "getting stale on the job." Within a few months, however, he was back in government service—this time as a member of the five-man Atomic Energy Commission, headed by David Lilienthal. When Mr. Lilienthal resigned last February, Pike agreed to take charge until a permanent chairman could be selected.

A genial, friendly man, Mr. Pike impresses listeners with his detailed knowledge of economic matters and his understanding of the many phases of the atomic-energy problem.

HARRIS AND EWING
Acting-Chairman Sumner Pike

THE FIRST ATOMIC PILE was built in a squash court under the stadium at the University of Chicago. Experiments there led to the successful development of the atomic bomb. The wall around the reactor kept deadly rays from escaping.

ATOMIC ENERGY COMMISSION

Historical Backgrounds

The Story of the Atom

THE Atomic Age in which we live is generally considered to have begun on December 2, 1942, when the first reactor or atomic pile was put into operation. But the roots of the new age are embedded deeply in the past.

As long ago as 400 B.C., a Greek philosopher, Democritus, taught that all matter is made up of atoms—particles too small to be seen. Few people took the idea seriously, but it was kept alive through the ages.

In 1808 a book published by John Dalton, an English schoolmaster, gave the old idea new significance. Dalton advanced the theory that everything is made up of basic chemicals or *elements*, each of which is composed of its own particular kind of atom.

At this point the history of atomic development really begins. It is a story of patient work by scientists of many nations. It is told below in chronological outline:

1833. Michael Faraday, an English scientist, discovered that the atom carries some kind of electrical charge.

1896. The French scientist, Henri Becquerel, accidentally found that uranium gives off rays strong enough to affect photographic plates.

1897. Joseph John Thomson of England discovered the electron—a particle smaller than the atom.

1898. Polish-born Marie Curie and her French husband, Pierre, discovered radium, a substance that gives off two and a half million times as many rays as pure uranium does.

1903. England's Ernest Rutherford decided that uranium and radium gave off rays of energy because their atoms were changing in some manner.

1905. Albert Einstein, the German-born mathematician, suggested that energy and matter are only different forms of the same thing. To show how much energy is tied up in a given quantity of matter, he worked out what may be mankind's most important equation: $E = mc^2$ (energy equals mass multiplied by the square of the speed of light).

1911. Rutherford found that the atom is made up of (a) a nucleus, which carries a positive electrical charge, and (b) one or more neutrons, which have a negative charge. The electrons revolve around the nucleus much as planets revolve around the sun in our solar system.

1919. The first atom-smashing experiment was performed by Rutherford.

ford. He used radium rays to split the nuclei of nitrogen atoms and found that energy was released.

1929. E. O. Lawrence of the University of California invented an atom-smashing machine, the cyclotron. It splits atoms by bombarding them with particles of matter so small that they can be shot at high speed into the nuclei of the atoms.

1935. At the University of Chicago, Canadian-born Arthur J. Dempster managed to take Uranium 235 from natural uranium. Since U-235 is scattered in small bits through ordinary uranium, the process of concentrating it is very difficult.

1938. Otto Hahn, in Germany, split the uranium atom for the first time.

January, 1939. Dr. Hahn's assistant, Lise Meitner, fled from Nazi Germany to Sweden. Through scientist friends, she spread the word that the Germans had succeeded in obtaining energy by dividing the nucleus of the uranium atom.

American scientists performed for themselves the experiment she reported.

August 2, 1939. In a letter to President Franklin D. Roosevelt, Professor Albert Einstein said that the facts given by Dr. Meitner led him to fear that the Germans would try to make an atomic bomb.

Fall, 1939. President Roosevelt appointed an Advisory Committee on Uranium. From this developed an experimental atomic project in which refugee physicists from Europe worked with American scientists.

February, 1940. In France, Jean Frédéric Joliot-Curie, son-in-law of the discoverers of radium, started atoms splitting in a chain reaction, but could not keep the chain going.

October 11, 1941. President Roosevelt invited British physicists to help with the American atom project. They accepted the invitation. Both Britain and Canada took part in the enterprise.

June, 1942. The work of developing an atomic bomb was put under the U.S. War Department.

December 2, 1942. At the University of Chicago, Enrico Fermi of Italy met with other scientists to put in operation the world's first reactor. He gave the command, and the control rods were pulled from the heavy wall that enclosed the pile. Inside the reactor, uranium atoms began splitting in a swift chain reaction, giving off energy in the form of rays and intense

heat. The Atomic Age had now begun.

July 16, 1945. Far out in the New Mexico desert, the first atom bomb was hanging from a steel tower. At 5:30 a.m. the bomb exploded with a blinding flash and a roar. From the crater where the tower had been, a many-colored cloud boiled skyward.

August 6, 1945. Flying over Hiroshima, Japan, the B-29 Superfort *Enola Gay* dropped the first atomic bomb to be used in war. An earth-shaking explosion was followed by a column of smoke seven miles high. Nearly two thirds of the city was destroyed. Casualties totaled 78,150 killed and 37,500 injured.

August 8, 1945. The Superfort *Great Artiste* dropped an atomic bomb on the Japanese naval base of Nagasaki. The effect of the bomb was somewhat confined by hills, but even so one third of the city was wrecked. The dead numbered 23,700 and the wounded 40,500. Six days later Japan surrendered, and the Second World War came to an end.

June 14, 1946. The United Nations Atomic Energy Commission met in New York City. It had been set up by the General Assembly to find a way of ending the atomic bomb's threat to civilization. Almost immediately a deadlock developed as Russia and the United States turned down each other's proposals. The deadlock has not yet been broken.

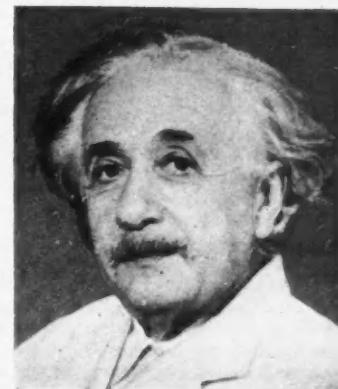
July, 1946. At Bikini Atoll in the Pacific Ocean, two more atomic bombs were exploded for test purposes. Observers watched from distant naval vessels. After each explosion the effect on animals and target ships was noted. It was found that an underwater explosion is far more effective than one above the surface.

January 1, 1947. The five-man U.S. Atomic Energy Commission took charge of atom-bomb manufacture and all other forms of atomic activity in the United States.

Spring, 1948. Three secret tests of new and highly improved "atomic weapons" were made at the Pacific atoll of Eniwetok.

September 23, 1949. President Truman told the nation, "We have evidence that within recent weeks an atomic explosion occurred in the U.S.S.R."

January 31, 1950. The President announced, "I have directed the Atomic Energy Commission to continue its work on all forms of atomic weapons, including the so-called hydrogen or super-bomb." In the "H-bomb" hydrogen would be turned into helium. This process would cause the hydrogen atoms to give off tremendous energy in the form of heat. If the hydrogen bomb can be made, it will be many times as destructive as the present bombs that use plutonium or U-235.



Professor Albert Einstein

ACME

The Story of the Week

Counterfeiting

One day last month, a teen-age couple was seized for passing counterfeit money. The young people were taken to jail, and if convicted of making and passing the bills, they could be fined \$5,000 and imprisoned for 15 years.

At about the time these two were arrested, U. E. Baughman, Chief of the U. S. Secret Service, was asking Congress to add 31 new agents to his staff. It is the Secret Service that tracks down the men and women who make and spend counterfeit money. More than \$100,000 in illegal currency is spotted and seized each month, Mr. Baughman said. He refused to estimate how much remains in circulation without being detected.

In the past, counterfeiters who made American money have worked primarily in the United States. Today, though, they have expanded and are at work in foreign countries. The high demand for U. S. dollars in other nations has caused the "boom" in the business of illegally making American money abroad.

Education is one of the Secret Service's chief weapons against the counterfeiter. The service feels that the criminal who makes bogus money will disappear when the public generally becomes skilled in recognizing "homemade" bills and coins. As one



A SECRET SERVICE AGENT examines a suitcase full of counterfeit money seized by the Treasury Department

part of its education program, the Secret Service maintains a file in each of the nation's banks. The file consists of cards describing practically all counterfeit bills which have appeared since 1929. The banks use these files in checking on bills that are thought to be bad.

In another part of the program, the service notifies merchants throughout the country whenever it thinks counterfeit bills are likely to appear in their communities. The notices describe the bills and tell the merchant how to aid in catching the counterfeiter. Merchants who wish to receive these notices may do so free of charge by sending their names to the Secret Service. Its main office is in Washington, D. C.

A booklet, "Know Your Money," has been published by the service for the general public. It points out differences between good money and bad and gives many interesting facts on money and counterfeiting. The booklet can be obtained for 15 cents from

The Attack on South Korea

Fighting broke out a week ago between the Communist and non-Communist worlds when forces from North Korea invaded the Republic of Korea that occupies the southern half of the Korean peninsula. The northern part of the country, spoken of as the People's Republic, is controlled by Russia. The southern part, where a democratic government has been established by the United Nations, is an ally of the west and is strongly supported by the United States. There was little doubt but that the attack was approved, if not inspired, by Russia.

Almost as the first shots in the fighting were fired, the realization spread around the world that the outbreak might be the forerunner of full-scale warfare between Russia and the democratic nations. This realization, however, did not bring panic and fear. Instead, the will of the non-Communist world stiffened. Western leaders thought they could keep the fight from spreading by helping South Korea to repel the Communist invaders. They promised aid to the republic, but they did not want to take their own countries into the war.

Within a few hours after the attack, the United Nations Security Council ordered North Korea to cease fire and withdraw its forces. The council went further and threatened to cut off the

sending of goods of any kind to North Korea should the order not be obeyed. Russia, a permanent member of the council refused to take part in the meeting at which the order was issued and spoke of the action as "illegal."

The United States, acting independently and according to an aid plan approved by Congress, started to rush military equipment to the southern republic. South Korea's army, which has been trained by U. S. soldiers, is said to be the best fighting force in Asia, but as the conflict opened it lacked various kinds of supplies, particularly planes and materials for aerial warfare.

No one expected either side to win an easy victory. The country might, it was thought, become another Greece. There native Communists, helped by Russian satellites, finally bowed to the established government, which was actively assisted in its military operations by the United States.

Or South Korea might become another China, where Soviet-aided Communists have been victorious. The free world was determined to do all in its power, short of starting a general war, to prevent such a situation from developing.

Next week THE AMERICAN OBSERVER, in major articles, will discuss Korea at length.

Indo-China, Malaya, and the Philippines—Communists are actively fighting a guerrilla warfare against the established regime.

Generally speaking, the wealthier nations and those with a long tradition of democratic government have put the fewest restrictions on the party. Although some groups within those nations have advocated legislation outlawing Communist organizations, the view has prevailed that it is best to let the organizations operate publicly and to call the members to account when they commit illegal acts against the established government.

The United States is one of the nations that have adopted this view. The party is legal here, but efforts are constantly made to remove Communists from positions in the federal government and investigations are conducted to determine whether, or not there is spying by party agents. Labor organizations, too, are trying to weed out the Communists, and the Taft-Hartley Labor Act requires that union officials make sworn statements saying they are not Communists before their organizations can deal with the National Labor Relations Board.

A few states in the U. S. have passed laws barring party members from public office and one state, Maryland, tried to outlaw the party entirely. The Maryland legislature passed a bill prohibiting membership in "subversive" organizations, but a state court held that the law violated both federal and state constitutions.

Western Germany

Recent developments in western Germany indicate that the area is firmly allied with the west and that the danger of communism's spread has lessened materially. Elections in the most important of west Germany's states—North Rhine-Westphalia, where the Ruhr is located—show that the Communist Party's strength among the voting population is only a third as great as it was three years ago. (The Ruhr is the center of the great iron and steel industry.)

In the elections, the people named members of the state parliament and approved a new state constitution. The constitution permits the state to support denominational or church schools and provides for the nationalization or "common ownership" of

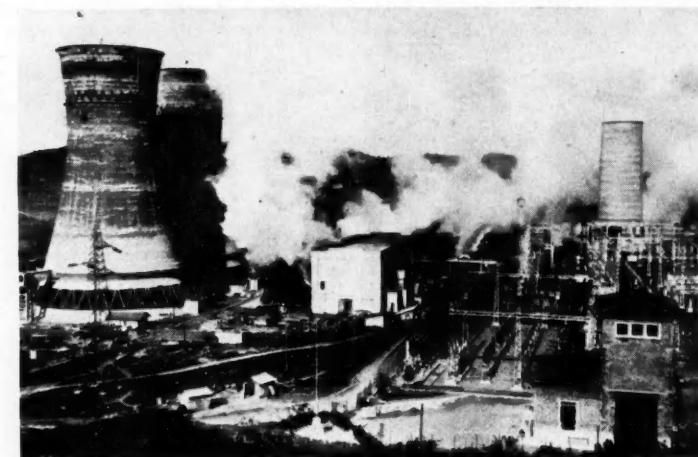
turbines and generators at Lardarello will provide seven and a half per cent of Italy's total power production.

Restricting Communists

Outside Russia and the nations allied with her, the Communist Party is not a popular organization, yet the restrictions placed on it vary.

In several countries, the party is outlawed entirely. Among these are Spain, Portugal, Greece, Turkey, Iraq, Iran, Egypt, Libya, Brazil, Paraguay, Bolivia, Peru, Chile, Ecuador, Colombia, Venezuela, and a few Central American nations. The Communist Party of South Africa recently dissolved itself after a law was passed permitting the government to suppress subversive groups.

In four countries—Burma, French



MOTHER NATURE provides the energy that turns the turbines of this power plant in Italy. For the first time in history steam from volcanoes is being harnessed and put to use by man. Marshall Plan funds are restoring plants damaged in the war.

basic industries. The federal government, however, must approve the taking over of specific industries by the state.

John J. McCloy, U. S. High Commissioner in western Germany, gave another boost to the idea of German cooperation with the west when he spoke to a group of German businessmen a little over two weeks ago. The businessmen had indicated dissatisfaction with several occupation policies and seemed to want to be free to trade with eastern countries. McCloy, speaking rather sharply, said that the occupation was a result of German aggression and reminded his audience that before World War II 85 per cent of Germany's trade was with the west. The Germans were surprised at these forthright statements, but they replied by emphasizing their desire to cooperate with western democratic nations.

Some writers, notably Walter Lippmann, interpret the Polish annexation of sections of eastern Germany (see article on Poland which begins on page one) as evidence that Russia recognizes west Germany's alliance with western Europe. In agreeing to permit the annexation, the Soviet Union has sided with Poland at Germany's expense. This she would not have done, it is thought, if she had



THE STATE of North Rhine-Westphalia has within its borders the rich coal and steel region of the Ruhr valley.

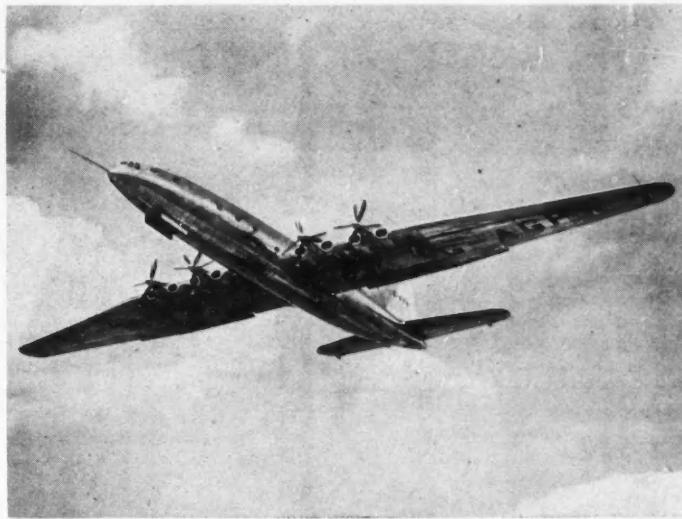
believed that east and west Germany could soon have been united under a Communist government.

Harriman's New Job

Next month, W. Averell Harriman will take over a new job in the White House. He will become President Truman's special assistant on foreign affairs.

Four years ago, the President talked of creating such a position and of naming Mr. Harriman to fill it. An upset in the Cabinet caused Mr. Truman to ask Mr. Harriman to become Secretary of Commerce. Since then, there have been other tasks the President wanted Harriman to do. The most recent has been the job of trying to bring about cooperation among nations receiving aid under the European Recovery Program. For two years, Mr. Harriman has been in Europe as roving ambassador to do this work.

The new job will also require Harriman to work for cooperation. This time he will try to iron out differences of opinion that arise among government agencies on questions of foreign policy. About 50 agencies, including



ACME
BRITAIN'S NEW SKY GIANT. The *Bristol Brabazon*, the world's largest civil landplane, is preparing to make its first test flight across the Atlantic sometime this summer. It measures 177 feet long and has a wing span of 230 feet. It is designed to carry 100 passengers on transoceanic flights and up to 230 on shorter hops.

the State Department, represent the United States in dealing with other nations. Confusion, disagreement, and misunderstanding inevitably develop. Mr. Harriman will try to keep this friction at a minimum.

His work will not infringe upon that of the State Department, the branch of the government which is chiefly responsible for carrying out foreign policy. Instead, Mr. Harriman will act as the eyes and ears of the President, whose duty it is to formulate the policy that the State Department follows.

Mr. Harriman, a successful banker and railroad executive, accepted his first government post in 1934. He has been in public life continuously since that time and has held numerous important positions at home and abroad. For a time he was U. S. ambassador to the Soviet Union.

Rebuke on Coffee

Congressional leaders are still surprised at a sharp rebuke they received from 14 Latin American countries. The protest was brought forth by a report made by a Senate subcommittee after it had studied conditions in the coffee industry. The 14 protesting nations supply the United States with most of its coffee.

Last fall, Congress became disturbed when the price of coffee suddenly shot skyward. A committee was appointed to look into the situation. Recently the committee recommended, among other things, that we give technical aid to nations that might grow coffee in competition with the South American lands, and that the U. S. bring pressure on those nations to persuade them to lower the value of their money.

In their protest the 14 countries claimed that these recommendations, if put into effect, would cause hardship among their peoples and create strong resentment against the United States. They felt that any attempt by the U. S. to persuade the southern nations to devalue their currencies would be an unwarranted interference with their affairs.

The protesting countries went on to point out that prices of our goods sold in South America have risen

wildlife already in this country are also avoided.

New types of wildlife have been successfully established in several places. A pheasant from Hungary and a species of partridge now live in sections of Nevada. Two varieties of grouse have been introduced on a Lake Michigan island, having been brought here from Lapland.

Notes in Brief

North Carolina's naming of Willis Smith as Democratic candidate for U. S. senator is considered by most people a blow to President Truman. Smith defeated Senator Frank Graham in a run-off primary with a campaign against deficit spending, the Brannan farm plan, civil rights proposals, and other parts of the Fair Deal.

Secretary of State Dean Acheson, who has not been a popular figure with many congressmen, won the support and admiration of governors of the 48 states when he talked for two and a half hours with them about foreign policy. The governors heard Acheson at their forty-second annual conference, held this year at White Sulphur Springs, West Virginia.

Labor-management disputes have disrupted normal business in some areas. Service on a number of western railroads was halted as switchmen stopped work because of disagreement over wages and hours. A large newspaper in New York City, the *World-Telegram and Sun*, suspended publication when editorial and business employees left their jobs in a dispute with management. Milk supplies were cut off in Washington, D. C., and in Pittsburgh, Pennsylvania, during disputes between deliverymen and the dairies.

The United Nations Trusteeship Council has praised the U. S. for its administration of the several island groups in the Pacific which were taken over from Japan at the end of World War II. The council thought, however, that too much money was being spent in the islands. It expressed the fear that the natives, if they become independent in the future, might not be able to retain the standard of living with which the U. S. has provided them. Our representative to the council explained that the United States feels the funds will help the islanders achieve economic independence.



UNITED STATES COAST GUARD
IS YOUR BOAT SHIPSHAPE? If you're not sure, the U. S. Coast Guard Auxiliary will check your craft and tell you. Boats that pass the inspection are given a sticker.



MARKET IN A VILLAGE SQUARE. Food is the only commodity that can be sold in the streets. Other goods must be purchased in stores at prices fixed by the government. The white monument in the background is a memorial to Russian soldiers.

BLACK STAR

New Poland

(Concluded from page 1)

War I did Poland reappear on maps of Europe. World War II saw it again partitioned, with Nazi Germany and the Soviet Union dividing it.

As created by the 1919 Treaty of Versailles, Poland had an area of slightly more than 150,000 square miles. Today the country is a little over 121,000 square miles in size. The 40,000 square miles of former German territory gained in the west do not make up for the 70,000-square-mile area taken by Russia in the east.

As is the case after any major move by Russia or one of its satellites, western officials are wondering what prompted the Reds to take this course of action. Many had been thinking in recent months that Russia would use the Oder-Neisse area as a device to gain influence in both east and west Germany. These observers expected that the Soviet Union would force Poland to turn back at least some of this territory to the east German puppet state. Such a move would indeed have pleased the Germans, for most of them long to see their nation restored to its prewar borders.

Now western observers wonder if the Soviet Union is preparing to tighten its control over Poland and wants to preface such action with a step aimed at winning Polish favor. Others think the Soviet-inspired treaty between Germany and Poland may be the forerunner of a dramatic withdrawal of Russian troops in Germany. They reason that as the first occupying power to give up its control in Germany, Russia would enjoy an enormous propaganda advantage. Yet the Soviets would lose nothing by such a move, for a Communist government is in rigid control in east Germany and is backed by a disciplined Russian-trained army which insures continued control. Thus, freeing east Germans from Soviet occupation may become Russia's method of compensating the Germans for the loss of their Oder-Neisse territory.

Poland, largest of the Russian satellites, has been within the Soviet sphere since 1946 and it soon may be the most important of the puppets. If

the goals of the present six-year plan, due to run until the end of 1955, are fulfilled, Poland will be the top industrial nation of the countries Russia has taken over.

This will constitute a sharp departure from the economic pattern of prewar Poland. While it had some large industries, Poland, before World War II, was chiefly agricultural.

The transition from farming to industry began after the war when Polish Communists came to power. It was made possible because the Oder-Neisse areas which were added to Poland included the rich Silesian coal mines, iron works, and other industrial and natural resources. The Germans called Silesia the "eastern Ruhr" to indicate its importance as a manufacturing section. On the other hand, the lands which Poland lost to Russia were about the most important food-producing areas of the nation.

Along with planning the changeover from an agricultural to an industrial economy, the Polish government had two other objectives during the first three years of peace. They were the reconstruction of the shattered nation and the establishment of a Russian-type Communist state.

The task of rebuilding was immense, for Poland was a shambles when the Nazis were driven out. Hitler had planned to destroy for all time the Polish nation and its people. He had made considerable progress with his ruthless program before the tide of war turned against him. Seven

million of the 35 million Poles were killed during the war years. Cities were leveled. Warsaw, capital and national symbol of a nationalistic people, was more than three-fourths demolished. As they retreated, the Nazis wrought further destruction. Mining equipment was ruined, factories blown up, and livestock killed.

Since 1945, the Poles have made a remarkable come-back. Visitors to the nation are amazed to see Warsaw a living city again, with new buildings, homes, and stores everywhere. Factories have been rebuilt. Coal mines are operating again at greater than prewar production levels.

Polish Communists did not neglect the shaping of the "new Poland" in the years just after the war. Although the strong men of the government encouraged the belief that Poland was attempting to create a democracy, behind the scenes they were laying the foundations for Red dictatorship.

Secret police were organized with the same efficiency that characterizes Moscow's. Newspapers, magazines, and radio came under the watchful eyes and numerous regulations of the state. Schools were forced to teach the doctrines of Marx, Lenin, and Stalin. Campaigns to undermine the influence of religion were started.

Many Poles who were willing and eager to work to rebuild their nation did not accept the new government with equal enthusiasm. Bands of anti-Communists formed in many sections

of the country. As late as 1947, when the nations of Europe were making cooperative plans for the Marshall Plan program, even high-placed persons in the Polish government were frankly interested.

Moscow quickly put a stop to Polish interest in the European Recovery Program, and since then Poland has been firmly fixed in the Soviet orbit. The Russians are taking no chances, however. Last year Polish-born but Russian-trained Marshal Konstantin Rokossovsky was made the top military leader of Poland. Since then, his influence has come to be felt increasingly in all areas of the government. In addition, numerous Russian officers have been placed in key spots in the armed forces. Western observers see these steps as precautionary ones, prompted by the "mistake" Moscow made in not getting control of the Yugoslav army. These actions seem to indicate that Russia is not risking the development of a Polish Tito.

Until recently, Russia has allowed Poland to move slowly in nationalizing agriculture. Collective farms represent only about one per cent of the total farm land. However, pressure to speed up the formation of collectives is increasing. In the former German territories of the west, farmers who own their land find it well-nigh impossible to buy seeds, fertilizer, or tools until it is too late to make use of them. The private farmer is also subject to staggering taxes. Where these techniques fail, terror tactics usually bring the farmer to accept collectivized agriculture.

Those who are well-acquainted with



COMMON BOND. Eastern Germany and Poland have one thing in common—the chains of Russian communism.

Poland say that the period of the six-year plan will be crucial. From now on, Poland can expect to be only what the Soviet Union says it shall be. Officials who attempted to create a Poland featuring a socialist government, more or less Russian style, combined with business and commercial connections in the west are out of influence. Those who show such tendencies today are made to recant and are punished.

Recent visitors to Poland estimate that up to 85 per cent of the people would vote out the Communist government tomorrow if really free elections were held. Early this year, a newspaper correspondent touring Poland was asked by a Pole, "When will America come to liberate us from these Communists?"

But visitors to Poland also report that the bands of dissidents which were organized to oppose communism have disappeared, due to the thoroughness of the state police. So while the Poles may not like the "new Poland" which has been established by their Communist leaders, they seem powerless to change it in any way.



TWO OF POLAND'S CITIZENS. At left is a chimney sweep. On the right is a Polish count whose lands were confiscated by the Communist government.

Study Guide

Atomic Energy

1. Why does our atomic energy industry need a larger appropriation to carry it through the coming fiscal year?
2. At what two places are materials for atomic bombs produced?
3. In what state are the principal centers of the atomic weapons program?
4. What government agency directs the entire atomic energy industry of the United States?
5. How many members has it?
6. What change would David Lilienthal like to see made in our handling of American atomic industry?
7. What special claim has Mr. Lilienthal to speak as an authority on this subject?
8. What three nations, acting jointly, may soon release information on the peaceful use of atomic energy?

Discussion

1. Do you feel that we are justified in publishing atomic "secrets" which we believe Russia has learned? Give your reasons.

2. Should the development of atomic energy for peaceful purposes be turned over to private industry or kept under government control? Tell why you feel as you do.

Poland

1. Communist Germany and Communist Poland recently set their mutual border at what two rivers?

2. Do the United States and Great Britain accept this new boundary? Why?

3. Is Poland today larger or smaller than it was after World War I?

4. What is believed to be the purpose of Marshal Rokossovsky's appointment as head of the Polish armed forces?

5. By what methods is the Polish government obtaining support for collective farming?

6. Poland is slated to become the leading industrial nation of the Russian satellites. What will aid the Poles in reaching this objective?

7. Does Poland need a secret police to prevent outbreaks of hostility against the Communist regime or do the great majority of the people staunchly support the government?

8. What has been the fate of Germans living in the western areas taken over by Poland at war's end?

Discussion

1. Western observers wonder what prompted the Moscow-inspired German-Polish treaty. Which of the theories being advanced as explanation of this move do you think is probably correct? Give reasons for your answer.

2. Do you think the Polish people will seek to make changes in their government soon? Discuss fully.

Miscellaneous

1. What developments indicate that western Germany is firmly allied with the nations that oppose communism?

2. Describe briefly the new job that W. Averell Harriman is undertaking.

3. In what area is steam from volcanoes being used to make electric power?

4. What role does the U. S. Secret Service play in attempting to stamp out counterfeiting?

5. Which sections of Jerusalem are controlled by the Arabs? Which are under Jewish rule?

6. Discuss the attempts the UN has made to settle the question of who should control Jerusalem.

7. List three important events in the development of atomic energy prior to the first atom bomb.

8. Discuss Sumner Pike's career in business and in government.

References

"Atomic Engines: When and How," by L. Cassels, *Harper's*, June 1950.

"Atlantic Report on Atomic Energy," *Atlantic Monthly*, April 1950.

"Sealed and Delivered," *Time*, June 19, 1950. Report on Polish-German border agreement.



NEW APARTMENTS, like these in Tel Aviv, are springing up in Israel's major cities.

Troubled Jerusalem

United Nations to Try This September to End Bitter Dispute Between Jews and Arabs over Rule of Holy City

THE United Nations is expected to try again this fall to find a peaceful way to govern Jerusalem—a religious shrine through the centuries for Jews, Christians and Arabs alike. Dispute over government of the ancient city is a principal cause of trouble in the Middle East—between Jews of the new nation of Israel and Arabs of the neighboring state of Jordan. Both claim Jerusalem as their own. A UN committee this month gave up efforts to make Jerusalem an international city—a city separated from both Israel and Jordan and governed by a UN authority. The UN negotiators were unable to get Arab-Jewish agreement on their proposal.

life is much as it was in Biblical times. Donkeys plod along narrow, winding streets. Arabs, in hoods and ankle-length robes, carry on their business slowly and deliberately. Vegetables, bread, and meat cooking on spits are displayed in open stalls. It is in old Jerusalem that the most famous of the religious shrines are located. There is the Church of the Holy Sepulchre built over Christ's tomb and sacred to Christendom. There is the Dome of the Rock, revered by all Moslems and one of the most splendid of Moslem temples. And there is the Holy Place of the Jews, the Wailing Wall or Western Wall. Jews have worshipped for thousands of years beneath this bit of wall.

Modern Jerusalem, outside the old town, is under Jewish rule. This new city, begun less than a hundred years ago, is about 10 miles square and has a population of over 100,000. Streets, movie houses, stores, taxis and homes provide an atmosphere much like that of a small American city. Damage caused by fighting with the Arabs in 1948 mars the newer Jerusalem's appearance, but this damage is being rapidly repaired.

While the two Jerusalems have a common border, communication between them is almost completely cut. UN officials go freely back and forth. Consuls and other diplomats may travel from one part of Jerusalem to the other, but must obtain permission for each trip. The Arabs sometimes grant permits for tourists to visit the religious shrines in old Jerusalem. Other travel between the two cities is barred by Arab and Jewish soldiers who guard the entry routes.

Two important parts of the metropolitan area are outside the authority of either Arabs or Jews. One small area, under UN jurisdiction, serves as a neutral ground where both Jews and Arabs can meet for negotiations. The other part, suburban Mount Scopus, is the home of the Hebrew university, hospital, and medical center. Mount Scopus, as a demilitarized area, is guarded by Jews and Arabs under UN direction. The buildings are closed for normal uses, and this is a cause of much bitterness to

the Jews, who carry on their university and medical work in emergency quarters in new Jerusalem.

UN officials, Jews and Arabs agree that ending the dispute over Jerusalem is a vital step toward bringing about real peace between Jewish Israel and Arab Jordan.

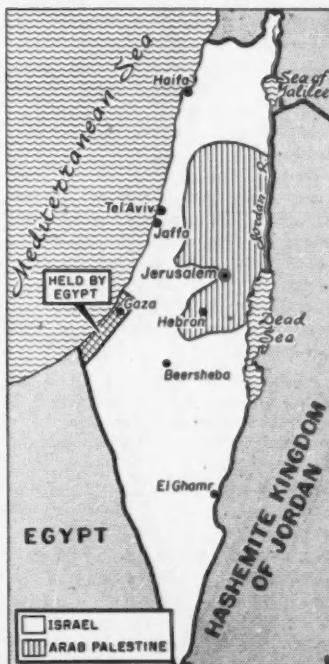
Israel, firm in its claims to its rights in old Jerusalem, is just two years old as a modern nation. It formerly was a part of Palestine for hundreds of years under Turkish rule and, after World War I, under Great Britain as trustee for the League of Nations.

Agitation for making Palestine into a Jewish state was carried on steadily in the period between the two world wars. It increased after Hitler came to power in Germany in 1933, when Jewish refugees desperately sought a new homeland. Thousands more needed a haven from Russian-controlled lands after World War II.

So, with the United Nations' blessing, Palestine was divided. Something over half of Palestine, including the Mediterranean port of Haifa and the industrial city of Tel Aviv, was allotted to the Jews. This area of 5,500 square miles, about the size of Connecticut, became the state of Israel. The rest of Palestine was awarded to the Arabs. Jordan occupied the section shown as "Arab Palestine" on the map below, and Egypt took over a coastal strip.

Israel found herself at war with the Arabs on May 15, 1948, only one day after declaring her independence. Egypt, Syria, Iraq, Lebanon, and Saudi Arabia joined the Arabs of Jordan in the conflict. Fighting finally was brought to an end in the spring of 1949, by a truce negotiated by United Nations representatives.

Despite the war, and the damage and loss of life it caused, Israel has made great strides forward. There is an efficient, democratic government for a population of more than a million. Cooperative agriculture is being encouraged and an effort was made this year to restore prewar sales of oranges and other fruits, which are a major export item. Industry is being developed, although Israel lacks enough capital to expand as rapidly as she would like. Large-scale housing projects are under way, also.



Weekly Digest of Fact and Opinion

(The views expressed on this page are not necessarily endorsed by THE AMERICAN OBSERVER.)

"What's Wrong with Flag-Waving, Anyway?" Editorial, *Collier's*.

It occurred to us a while back that people don't seem to display the flag the way they used to. This seems to us a rather sorry state of affairs. And even sorrier is the fact that "flag-waving" has come to be a term of contempt.

We don't think there is anything wrong with flag-waving, but we can't say as much for some of the flag-wavers. We are talking about the prominent people who wrap themselves in the flag as if it were their personal garment and try to persuade other people that any criticism of them or their ideas is an affront to the flag and free government.

All this has naturally caused some



LET'S HAVE some talk about what our flag stands for, says *Collier's*

opposite reactions. Because the self-appointed patriots have overpraised certain aspects and traditions of American life, other people have found it smart to carp and belittle. Still others find any expression of patriotic sentiment mawkish and embarrassing.

We're in favor of flag-waving, literally and figuratively. We like to see people display the flag on appropriate occasions. We like to hear some appreciative talk now and then about things that the flag stands for.

The American flag flies over the best country in the world. We have a right to be actively proud of our country, and of its position as a champion and defender of peace and freedom.

Neither this generation nor any other generation has done its job perfectly, of course, and there is still room in our country for improvement. But in striving for progress let's not forget what we have. Let's look around us once in a while, count our blessings, forget our differences, and do some unabashed flag-waving.

"Why France Fell," by Raymond Cartier (former officer in the French General Staff and presently Paris News magazine *Match* correspondent), the *Washington Post*.

It is devoid of any significance to ascribe the French defeat in World War II to treason, internal weakness, wrong political leadership and the like. France was technically beaten on the battlefield by an army, or more exactly by a fraction of an army, which embodied a revolutionary concept of war.

Germany had built up a striking

force of armored and motorized divisions which fought with close support by powerful aviation. It combined strength, rapidity, and maneuverability. France was not ready for the kind of war this army waged.

Against the quite unexpected German display, France exhibited an army which had stopped thinking in 1918 and which relied only on its old formula for victory. The defensive pattern of the French army was too strong and rigid to permit the launching of an effective counter-offensive. And 12 or 13 of the best French divisions were idle under the pompous concrete of the Maginot Line—unable to join the battle because they lacked means of transportation.

From a cold, logical point of view, fighting in 1940 was useless, but the French army fought all the same, with almost 150,000 killed in six weeks. Its miserable accomplishments gave rise abroad and at home to the lasting idea that the French soldier had given way everywhere without trying to hold the ground.

Before 1940 French military academies based their teachings on the so-called "lessons of the war"—the 1914-1918 war. All the French military system, including the really ridiculous Maginot Line, was drawn up according to those "lessons." Blind obedience to the past led the French army directly to disaster.

"Stalin's Achilles Heel," by Joseph Alsop, *New York Herald Tribune*.

After a long expedition of inquiry abroad, this reporter is convinced that three factors are powerfully working to prevent a third World War from breaking out now or in the near future.

The first factor is the incompleteness of the Kremlin's war preparations. The second is the west's superior weight of atomic weapons. These are the temporary obstacles to war. But they will be largely or wholly removed when Soviet rearmament reaches its climax in 1953-54.

The enduring obstacles, which will always prevent war if the West is reasonably strong, is simply an inner weakness of the Soviet system. This weakness is the willingness of the vast slave population at the base of

the Russian system to rise up and fight against its own government whenever it receives outside support.

When the Germans began their invasion of Russia in World War II, the Nazi troops were welcomed in almost every Russian village along the whole front. In those early days, both surrendering Russian soldiers and the men of the villages and towns being overrun actually volunteered in great numbers to fight with the Germans. Hitler threw away an incalculable advantage by his brutal treatment of the Russians.

This inner Soviet weakness does not mean that complacency and inaction are now justified. The west does not dare to remain a military vacuum while Soviet power rapidly grows.

However, this inner Soviet weakness certainly does mean that we can now begin the defense job in earnest, with no risk of immediate Russian aggression. And it also means that forces of the west can reasonably be expected to mobilize will be sufficient to deter Russian aggression in the future. If we make ourselves strong, there is no need for fear.

"Modern Babel," by Affonso Corrêa, *Américas*.

Long ago, when contact among peoples was slight, the problem of language differences among nations caused little difficulty. But in the present age of air planes and radio, the language barrier looms large.

The problem is conspicuously acute at international gatherings. When a country is choosing its delegates, many well-qualified persons with limited linguistic ability are passed over in favor of second-rate delegates who have language facility. Furthermore, the language problem leads to confusion, misunderstanding, and the segregation of delegations into linguistic groups.

In an attempt to eliminate the language barrier, a famous Polish physician and linguist of the last century, Dr. Lazarus Ludwig Zamenhof, created Esperanto—new language based on the vocabulary and grammar of the principal languages of the Western world. Esperanto is logical and simple. Each letter has only one sound and words are spelled phonetically.



RUSSIA'S RULERS in the Kremlin (seen here from across the Moscow River) are threatened by the weakness of their system, says columnist Joseph Alsop.



UNITED NATIONS
TODAY some 2,796 languages are spoken in the world, plus thousands of dialects.

Each word has only one meaning. And Esperanto can be mastered in six months time.

Today Esperanto is spoken by several million people. More than 7,500 works, including the Bible, classical and scientific books, and even fiction, are available in Esperanto. And regular radio programs in Esperanto are sent out in long and short wave by nine major nations.

Today the Esperanto movement has become virtually an international crusade with many prominent persons and influential organizations urging that it be adopted as the universal language.

"A Needless Barrier," by Dr. Bryn J. Hovde (former president of The New School for Social Research in New York City), *The Lamp*.

A barrier of misunderstanding, and, indeed, of some suspicion and distrust, is dividing American educators and businessmen. It is, moreover, a barrier of their own making.

The plain truth is that these two groups of people just do not know each other. Both of them have isolated themselves so effectively within the bounds of their own professions that they seldom have more than superficial contact with each other.

The gulf which separates businessmen and educators would not be so serious if these two groups of people were not mutually dependent. Education could not function without the help that it receives from businessmen, both indirectly, in the form of taxes, and directly, in the form of both personal and financial aid. Businessmen, on the other hand, are just as dependent on education, for schools and colleges are the continuing source of their future workers and customers.

I should like to suggest that businessmen employ educators more widely than they now do. This would give the teacher the opportunity, which I strongly feel he needs sometime in his career, to go out and get practical experience to supplement his book learning. And it would give the businessman the opportunity to see for himself the practical value of the educator's methods of research.

As soon as businessmen and educators find that they have much to learn from each other, suspicion will give way to mutual respect. If they will only make the effort, they will have little difficulty in breaking through the needless barrier that has grown up between them.